

Appl. No.: 09/643,227
Amdt. dated January 9, 2006
Reply to Office Action of October 11, 2005

REMARKS

Based on the following remarks, applicants respectfully submit that all the pending claims are in condition for allowance.

Status of the Claims

Claims 1-43 remain pending. Claims 1, 16, 22, 37, and 43 were previously presented.

Rejections under 35 USC § 103

Claims 1-43 stand rejected under 35 USC § 103(a) as being unpatentable over U.S. Patent No. 6,278,982 ("Korhammer").

Claim 1:

In the final office action of October 11, 2005, the Examiner changed the previous anticipation rejections to obviousness rejections, stating that the new ground of rejection was necessitated by the Applicant's amendments in the previous response. The Examiner reiterated much of the rejection of the previous office action but admitted that Korhammer does not teach the subject matter added by amendment. In particular, the Examiner stated,

Korhammer does not disclose sending the order to at least one pre-selected market after sending the order to the first default market, booking the order in a second default market after sending the order to at least one pre-selected market.

OA of 10/11/05, p. 4 (emphasis in original).

It is notable that the subject matter admittedly not taught by Korhammer is exactly the subject matter added to claim 1 in Applicant's Response to Office Action of November 15, 2004. In particular, claim 1 as presented in that response appeared as followed:

1. A method of executing orders for securities in an automated broker-dealer system, the method comprising the steps of:
receiving from a customer an order for a quantity of securities to be bought or sold,
the order having an MPID optionally identifying a pre-selected market;
sending the order to a first default market, wherein the order is partially filled;
after sending the order to the first default market, sending the order to at least one pre-selected market, wherein the order is partially filled; and
after sending the order to at least one pre-selected market, booking the order in a second default market.

ROA of 11/15/04, p.2 (added subject matter underlined).

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To the Examiner's credit, the Examiner addresses this shortcoming of Korhammer, but in a way the Applicant objects to. In particular, the Examiner stated,

However, it is well known in the art to design sending the order to at least one pre-selected market after sending the order to the first default market, booking the order in a second default market after sending the order to at least one pre-selected market. This is a design choice. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Korhammer's to include the feature above for the purpose of enhancing the method of submitting the orders to multiple markets.

OA of 10/11/05, p. 4 (emphasis in original)

The Applicant objects to the Examiner's bare assertion that the subject matter added to claim 1 is well known. Without providing any evidence to support this assertion, the Examiner has failed to establish a case of *prima facie* obviousness. As stated by the court, "the precise language of 35 U.S.C. 102 ... clearly places a burden of proof on the Patent Office which requires it to produce the factual basis for its rejection of an application under sections 102 and 103" (*In re Warner*, 154 USPQ 173, 177 (C.C.P.A. 1967), *cert. denied*, 389 U.S. 1057 (1968)). The PTO "may not rest a *prima facie* case only on its own unsupported assertions." (*In re Ichihashi*, Civ. App. No. 93-1172, slip op. at 2-3 (Fed. Cir. Sep. 9, 1993) (unpublished)).

The Examiner may be attempting to take "official notice" of an alleged fact. See MPEP 2144.03 ("Reliance on Common Knowledge in the Art or 'Well Known' Prior Art"). If so, the Applicant strongly disagrees with the validity of taking official notice for this subject matter on three grounds. Per MPEP § 2144.03, the Applicant traverses the Examiner's assertion that the claimed market ordering sequence is old and well known, or that this subject matter is proper for official notice at all. The Applicant demands, per MPEP § 2144.03, that the Examiner cite a reference in support of his position or withdraw the rejection.

First, the Examiner contends that the subject matter added to claim 1 by the Applicant (the subject matter added specifically to overcome Korhammer) is well known. Clearly, the Applicant would not have added this subject matter to the claim to distinguish Korhammer if the Applicant believed that the claim remained obvious in light of Korhammer. This alone tells the Examiner that the Applicant does not and would not agree that the subject matter cited by the

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Examiner is well known and is in the prior art. *See* MPEP § 2144.03 ("The facts so noticed . . . should not comprise the principle evidence upon which a rejection based.")

Second, official notice may be taken only of facts that are capable of "instant and unquestionable demonstration." *Id.* For example, in addressing judicial notice, the CCPA (the ancestor to the Federal Circuit) stated:

"Assertions of technical facts in areas of esoteric technology must always be supported by citation to some reference work recognized as standard in the pertinent art and the appellant given, in the Patent Office, the opportunity to challenge the correctness of the assertion or the notoriety or repute of the cited reference. Allegations concerning specific 'knowledge' of the prior art, which might be peculiar to a particular art should also be supported and the appellant similarly given the opportunity to make a challenge."

In re Ahlert, 165 USPQ 418, 420-21 (CCPA 1970) (citations omitted) cited at MPEP § 2144.03.

Similarly, the CCPA has stated that:

"Moreover, we reject the notion that judicial or administrative notice may be taken of the state of the art. The facts constituting the state of the art are normally subject to the possibility of rational disagreement among reasonable men and are not amendable to the taking of such notice."

In re Eynde, 178 USPQ 470, 474 (CCPA 1973) cited at MPEP § 2144.03.

Third, even if the Examiner's first assertion were true regarding pre-existing knowledge regarding the ordering of orders and bookings to markets, the Applicant objects to the failure of the Examiner to provide motivation to combine the teaching with Korhammer. As stated at MPEP §2144.04, quoting from *Ex parte Chicago Rawhide Mfg. Co.*, 223 USPQ 351, 353 (Bd. Pat. App. & Inter. 1984),

The mere fact that a worker in the art could rearrange the parts of the reference to meet the terms of the claims on appeal is not by itself sufficient to support a finding of obviousness. The prior art must provide a motivation or reason for the worker in the art, without the benefit of appellant's specification, to make the necessary changes in the reference device.

MPEP §2144.04.

The Examiner is requested to provide motivation to combine the teachings of the prior art in the manner recited in claim 1. Without motivation to combine the teachings in the prior art, a

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prima facie case of obviousness has not been established.

The limitations added to independent claim 1 should not be minimized. Claim 1 recites a *specific* order for various steps, not just a haphazard cobbling together of bits and pieces of the alleged prior art. The recited market ordering sequence exploits tight coupling to address the "chasing" problem discussed in the background. *Id.* at p. 2, ll. 13-25; p. 4, ll. 6-15. Tight coupling between broker-dealer systems and market systems improves the speed of orders and responses, and also improves quote timing for quotes from tightly coupled markets. *See* application at p. 4, ll. 6-8; p. 13, ll. 7-8. No teaching or suggestion of such market ordering can be found in the cited art. For at least the foregoing reasons, allowance of claim 1 and its dependent claims is respectfully requested.

Claim 5:

Dependent claim 5 recites that at least one of the default markets is connected through tight coupling to the broker-dealer system. To reject this claim, the Examiner cites to Korhammer, column 4, lines 23-45. There is no mention of tight coupling or high speed data communications between broker-dealer systems and market systems in this passage. Examiner is requested to explain how the passage at lines 23-45 of Korhammer, column 4, makes claim 5 obvious.

For at least these additional reasons, allowance of claim 5 and its dependent claims is respectfully requested.

Claim 16:

Claim 16 was amended in the Applicant's last response to specify that the order is sent as an IOC order to a pre-selected market and booking the order into a default market after the step of sending. As explained in the Applicant's last response on page 11, Korhammer fails to teach or suggest that the orders in different markets would be of different types, and would be sent in the order required by claim 16. This is the identical language used on page 5 of the office action dated November 15, 2004. The Applicant requests that the Examiner address the language added by the Applicant to independent claim 16, and explain the rejection with regard to this language added to the claim.

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In view of Korhammer's failure to teach or suggest the added limitations of claim 16, allowance of claim 16 and its dependent claims is respectfully requested.

Claim 22:

The substance of the Applicant's arguments with regard to claim 1 are repeated with respect to claim 22. For at least these reasons, allowance of claim 22 and its dependent claims is respectfully requested.

Claim 26:

The substance of the Applicant's additional arguments with regard to claim 5 are repeated with respect to claim 26. For at least these additional reasons, allowance of claim 26 and its dependent claims is respectfully requested.

Claim 37:

The substance of the Applicant's arguments with regard to claim 16 are repeated with respect to claim 37. For at least these reasons, allowance of claim 37 and its dependent claims is respectfully requested.

Claim 43:

Claim 43 was added in Applicant's Response to Office Action dated November 15, 2004. As explained on page 11 of that response, independent claim 43 recites that a non-IOC order with a selected market is first submitted to a different market as an IOC order, then is submitted to the selected market as an IOC order, then is booked as a non-IOC order in a different market. In the office action of October 11, 2005, page 7, the Examiner contends that claim 43 contains similar limitations as found in claims 1 and 16 and is therefore rejected on the same rationale.

Because the Examiner failed to address the language added to claim 16, the Examiner equally failed to address similar language in claim 43. In addition, claim 43 includes additional language from claim 16, such as the requirement of submitting an order with greater-than-zero time-in-force to a second default market different from the selected market. None of the limitations recited in claim 43 would be ignored by a Court, and similarly, none of them may be ignored by the Examiner when making his rejection. MPEP § 2143.03 ("All Claim Limitations Must Be Taught or Suggested"). The Examiner is requested to provide the basis of his rejection for each and every one of the limitations recited in the claims. MPEP § 2141.02 ("II. Distilling

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the Invention Down to a 'Gist' or 'Thrust' of an Invention Disregards 'As a Whole' Requirement").

For at least these reasons, allowance of claim 43 is respectfully requested.

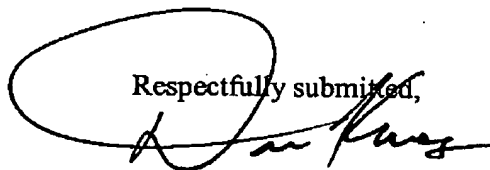
Conclusion

The office action of October 11, 2005 was indicated as being final, and thus the reply of the Applicant is necessarily limited. The Applicant asks the Examiner to supplement and clarify his rejection in the manner requested above. This will assist the Applicant's understanding of the rejection and the clarity of any future response. The Applicant has focused this response on the important issues discussed above in order to clarify the Applicant's response on these issues, and the Applicant reserves the right to address other claims and grounds of rejection previously made against the pending claims.

In the course of the foregoing discussions, applicant may have at times referred to claim limitations in shorthand fashion, or may have focused on a particular claim element. This discussion should not be interpreted to mean that the other limitations can be ignored or dismissed. The claims must be viewed as a whole, and each limitation of the claims must be considered when determining the patentability of the claims. Moreover, it should be understood that there may be other distinctions between the claims and the prior art which have yet to be raised, but which may be raised in the future.

If any fees are inadvertently omitted or if any additional fees are required or have been overpaid, please appropriately charge or credit those fees to Conley Rose, P.C. Deposit Account Number 03-2769/1991-01500/HDJK.

Respectfully submitted,



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